



## News Release

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**TWO MILLION TAXPAYERS USE FREE FILE;  
NEW PROGRAM SURPASSES EXPECTATIONS**

WASHINGTON – Free File – the new program offered by the Internal Revenue Service and the tax software industry – logged more than 2 million users who prepared and e-filed their tax returns as of last week. The free service has surpassed expectations by government and industry.

For the week ending March 21, the IRS had received a total of 66.9 million individual tax returns, slightly more than half of the expected 132 million individual returns that will be filed this year.

Only three weeks remain before the April 15 tax filing deadline so taxpayers should act now to prepare and file their returns. The IRS urged taxpayers to review the Free File criteria and consider using the new tax filing program if they meet the eligibility requirements. Taxpayers should consider using IRS e-file regardless of their Free File eligibility.

“We are extremely pleased with the performance and acceptance of Free File by the nation’s taxpayers,” said Bob Wenzel, IRS Acting Commissioner. “Our intent was to form a partnership with the private sector that would pay off for taxpayers both literally and figuratively. Free File now has 2 million customers and, as word of its ease and convenience spreads, we expect it will continue to grow.”

The IRS and the Free File Alliance, a consortium of 17 tax preparation software companies, announced the Free File program on Jan. 16. The IRS has expected 2 million users the first year. The private sector agreed to make available free tax preparation and e-filing to at least 60 percent of the nation’s taxpayers. The IRS agreed to host the Free File page on its IRS.gov Web site. Each company sets its own eligibility criteria, generally based on income, age, state residency or military service.

Taxpayers should check out [www.irs.gov](http://www.irs.gov) to review Free File criteria, to find a tax preparer who uses e-file, to review last-minute filing tips, to download forms and publications or to use “Where’s My Refund?” to determine the status of their refund if they have already filed. The new “Where’s My Refund?” function already has drawn 8.7 million requests.

At the half-way point, the IRS has received 66.9 million individual returns, 38.7 million of which were filed electronically. IRS e-file continues to post large gains among tax professionals who e-filed 27.4 million returns, a 7.6 percent increase. However, the largest gain continues to be among people who prepare their own taxes on their computers. So far, 8 million individuals, a 27.7 percent increase over 2002, had prepared and e-filed their own tax returns.

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## 2003 FILING SEASON STATISTICS

Cumulative through the week ending 3/22/02 and 3/21/03

	<u>2002</u>	<u>2003</u>	<u>% Change</u>
<b>Individual Income Tax Returns</b>			
Total Receipts	66,270,000	66,971,000	1.1
Total Processed	59,558,000	60,744,000	2.0
<b>E-filing Receipts:</b>			
TOTAL	35,174,000	38,659,000	9.9
TeleFile (phone)	3,371,000	3,182,000	- 5.6
Computer	31,803,000	35,477,000	11.6
Tax Professionals	25,510,000	27,438,000	7.6
Self-prepared	6,293,000	8,039,000	27.7
<b>Refunds Certified:</b>			
Number	54,076,000	54,988,000	1.7
Amount of principal	\$107.046 billion	\$111.483 billion	4.1
Average refund	\$1,980	\$2,027	2.4
<b>Direct Deposit Refunds:</b>			
Number	29,416,000	32,564,000	10.7
Amount	\$70.180 billion	\$78.159 billion	11.4
Average	\$2,386	\$2,400	0.6

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